

**ACTION ITEMS:**

- ?? Standardize CCEI Scope of Services – Ananth Prasad by 04/19/2002
- ?? Lump Sum CCEI Contract Guidelines – Ananth Prasad
  - o Ananth to send the guidelines out by 04/19/2002.
  - o DCCE to provide feedback by 04/30/2002.
  - o Discuss guidelines with PSA on 05/08/2002.
  - o SCO to discuss with FHWA and request approval by 05/15/2002
- ?? Standardize “Action Request Form” – Brian McKishnie to e-mail the group a sample form so that we can agree on a standardized form. To be completed by 04/30/2002.
- ?? Performance Measure Report – Provide option to generate report (a) by Status 6, 7, and 8; and, (b) In-house and Consultant Projects. – Ananth Prasad by 05/30/2002.
- ?? CCEI Grading – Revise the format of the “Standards” in the new CPAM and changing the Grading Form (deleting criteria that no longer applies) – Janet Cook with Joy Lukcic and Shwan Murphy by 05/31/02

?? 3/13/02 – Morning Session

1. Introductions – Per Ananth, the scope specialists are here for input; re connectivity, Morefield now involved.
2. We are leadership for CEI statewide. We involve industry, but they will not dictate - it is not a voting situation. Terry C will be here today, & FICE will be informed on issues re Lump Sum. Not all projects will be lump sum - just like design-build - only where appropriate.
3. Agenda & handout review
  - a. Get away from having CCEI write letters for department signature, like weather & final acceptance to FHWA
  - b. Lump sum discussions of criteria for FHWA approval
  - c. CCEI cost currently - 11 per cent
4. Jim Cunningham - Project Management Office - new boss Jim Davis -  
- not their intent to take over our functions; they are in the “jello” stage. Working with FICE to standardize Scope of Services & staffing estimation for consistency statewide.

Task team was formed to approach design issues in many areas including scopes & staffing estimation forms. Pilot use beginning in April, with mandatory implementation in October. Training will be provided. Matched scope with tasks, but not all the detail. Jim shared 3 handouts - Scope of Services Highway and Bridge/ Structural Design, Standard Scope & Staff Hour Estimation Handbook, FDOT Staff Hour Worksheet Package. He announced that April training dates across the state are on FDOT's website, Quality Initiatives Office link to register.

Scope format: Project description allows for individualization - project general tasks - roadway analysis is very brief to avoid providing too much repeat of what is available in other places. Lee ? re requiring constructability to get us o of that business - No, but independent peer review is possible. When designed should be constructable in itself & w/ adjacent projects. Would districts still review if consultants were required? Yes until they prove themselves. ?re deliverables defined.

Ananth – re scope & staffing estimates - do we want to look @ staff estimate guidelines? D2-no; D6-if we can agree on roles / needs / individual team strengths; D4-may be able to agree on some things.

Jim reviewed the negotiation process; it sounded similar to ours. Process analysis of tasks in design allowed establishment of the basis of each task. AI explained that we get CCEI staff estimate prior to selection. We use time & size of staff to estimate hours, not the task.

Complexity required establishing ranges. Discussion re PSU's role & who does what. D7 would prefer not standardizing staff negotiations. Really a matter of number of inspectors. Lee re impact of QC2000.

5. Terry C flight cancelled- will try to get another flight today.
6. Scope discussion -- Ananth will update & maintain. AI commented that both PSU & legal review scopes heavily in D-2. DCE's can set levels for when they are to be involved - time extensions, supplemental amendments, etc.  
Geographic area language in scope to add projects to contract.  
Discussion of definitions and connectivity issues, equipment ownership.

#### Break

Scope discussion, continued – Most districts have CCEI supply the field office. Vehicles - make section separate & include safety equipment. Deleted detailed list of documents & field equipment.

Office Automation – Connection / staff & training for site-manager, etc. Dial up will probably go away within 1 yr. Handout re VPN – Single user will need high speed internet server provider (dsl/cable) costing \$40-50/mo. In addition a \$20 monthly fee to VPN (HAYES). Corporate account with unlimited users available. Parsons may be the first using this connection. It costs \$1100 installation plus \$100/mo for network connection. This cost will go into overhead, with our cost being only high speed connection. Leased lines are still an option, but expensive.

## **DCCE meeting - 3/13-14/02 – Cocoa Beach, Florida**

---

One stop shop for contractors for QC2000 - packages being distributed. Userids for contractors across state, rather than project specific is the hope.

Sitemanager - any job after October, 2002 - What will we do with multiple projects? We will pick up some connection costs, but efficiencies should result. Computer equipment minimums will be posted on website.

How will we address staffing requirements for scanning, etc. CDMS roll out - in less than 6 months, each district will have its own VPN. Please share this information with your DCE. Computer, scanner, etc., minimums will be on our website by end of this week; will also provide VPN access information.

Lunch

3/13/02 – Afternoon Session

Scope discussion, continued. Liaison, conflict of interest, discussion of action requests (DLs) - to be called Requests for Approval.

Survey Requirements - discussion of contractor/CCEI responsibilities. Turnpike's is very detailed. Agreement that some guidance is needed & role should be defined. D2 will provide their language & Ananth will work on it. Differences between in-house & CCEI jobs.

Testing-Lee's language; NPDES -D7's; Contractor Corporate QC Plan & QC Mgr-consensus re when a job is shut down; Role of Senior Project Engineer is that of the Resident Engineer. CTQP -- Final Estimates requirement is coming.

Management Services - will start with a general CPAM statement and then list only those services which aren't in CPAM.

Claims R A S S -- Tallahassee class - Districts to pay only travel.

Discussion of videotaping jobs. Visualasbuilts - D7 has project documentation section.

Compliance - depending on function

Action Request Form - 9.2 will be rewritten; 9.4 – language will be changed; 11 & 12 will combined; 13.0 - leave underlined; 14.0 will move to 2.0 with modifications; 15.0 - will become final invoice.

Exhibit A-A – Inspector aide discussion. Question about when grouting certifications are coming in. Missing “asterisk” statement added.

Exhibit A-A-A QA Plan – need to ask Terry C if this is necessary; it is in the agreement – was written for design.

Exhibits A-A & A-A-A will be rolled up into main Exhibit A.

7. CCEI grading – criteria, discussion of frequency, coaching to improve performance. Are we looking for value? Will we wait to see what project management does?
8. CCEI Accountability in Final Estimates -- \$10,000 threshold /guideline - regardless of amount, we will pursue with at least a letter – haven't gone to FICE yet - Freddie is okay with settling in the field.
9. MOT specification – makes the contractor responsible – available on-line for review. CPAM review on-line, too.
10. Lump sum discussion tomorrow - how can it be structured to offer both risk & reward? A+B may lend themselves to lump sum.
11. Construction Project Manager Training – Per Lee, the target audience is current & prospective construction project managers & project engineers, CCEI senior project engineers & CCEI senior program managers.

Training Format is 2 1/2 days with George Cole on Day 1 (8-5); Lee on Day 2 (8-5); John Green on Day 3 (8-11:30).

Following are dates and locations:

Tampa – May 15-17, Radisson River Walk

Panama City – June 10-12, Bay Point Marriott

Orlando – June 17-19, Sheraton in Maitland

Jacksonville – June 18-20, Sea Turtle

Ft. Lauderdale – June 24-26, Sheraton Airport

Registration will be on the Construction website; facilities will seat 125 each. There will be a charge for CCEI s. Bring an estimate of number of attendees for tomorrow.

Construction Project Manager training will probably become a module in the project management series.

**3/14/02 – Morning Session**

1. Introductions & Welcome - Terry Cappellini.
2. Follow up from yesterday - Districts distributed salaries & work program. D2 will send via email. Ananth agreed to compile salary data. Work Program instructions - at this time, there is no need to address CCEI programming issues.
3. Questions about the CPAM Revisions - CCEI grading. Discussed changing the format, looking at statements that will need revision. Janet will take the lead & coordinate with Joy in D-7 and Shawn. Districts will send marked up forms by April 2, with revisions made effective by June 30. Effort to revamp distribution. Initial in depth review only at the start of a project. On the frequency of other reviews, we'll defer to what design decides. We will address staffing requirements in light of QC2000.
4. Performance measures handout - Terry reported that in the future, district wide costs will be allocated to individual projects. This report includes lab, etc., and we don't have control over these costs. Greg thinks these costs should also come down, because the data includes old jobs when measures were higher. Do we need a Sterling Q measure?

Discussion of changes to the report to make it more helpful (separate CCEI & in-house with the option to print report in the districts). Signal warranty/guarantee being sought from the contractors.

5. LUMP SUM - I G is willing. D-6 experience - conventional negotiation was converted to lump sum. Ron already knew the contractor & that they'd go for the bonus, so that became time. Everything went great. The project got 100% MRP. Feds felt it was a lucky shot. There were no problems with inspectors being on the job. Lump sum requires CCEI

to really manage their money. Feds have concerns about how negotiations were done. Lump sum is not for every job. CCEI s did the job, but the feds are concerned re value to department. CCEI s are concerned that they assume risks over which they have little or no control.

FHWA is undergoing a cultural change. They are finding ways to say yes. On design-build, the feds okayed lump sum with compromises; we asked the feds to look at outcome (quality), not number of personnel.

FICE has concerns about lump sum (John Brandvik letter), suggests that in negotiations we assume time will run over and that we do not try lump sum on all jobs.

What kind of projects are appropriate? AI - single stand alone, negotiated after knowing contractor, with a daily rate determined for each day over. Ananth - changing letting dates doesn't happen often, but if it does, we can do an supplemental amendment.

Without Lump Sum, CCEI s have no incentive for efficiencies. Terry - grouping is supposed to produce efficiencies, but he's not sure group & lump sum should both be used on same contract. Joy - just negotiated lump sum with 2 projects - 20 percent buffer both over & under with daily rate - was advertised as lump sum.

Gabby - need to reduce amount of paperwork. Terry - Phase3 CITS will require CCEI to enter price proposal - hours & rates. Documentation is essential, but historical data can be used to estimate CCEI cost without using staffing estimate, etc. There is an advantage to us for have them assume risk.

Ads should include intent for lump sum & budget target to promote efficiency - firms already in area have advantage. Lee is for it, because consultants have no incentive to save money - put budget/fair price in ad & negotiate to it - but it seems that subs are the ones who take the salary hit.

Ananth - lump sum needs to foresee what kinds of problems you'll have. AI - questions to Terry - yes to Other services - yes to adding other projects - percentage for overruns needs to be established (Ananth suggests historical, but not disclosed.) Terry suggests meeting with professional services administrators to discuss lump sum

issues. Ananth - in the past CCEI's & contractors took no risk - lump sum risk taking becomes an element in profit.

AI suggests making provision for weather & asked Terry to estimate time overruns - group agreed that DCO could estimate this. Supplemental amendments for lump sum - hurricanes, changes in letting date, significant change in scope/time?

Break

Ananth will respond to FHWA letter re lump sum, but is sure they will ask for a meeting. Lump sum amount may be based on detailed estimate/ historical data. Terry - we will need to get FICE in loop. Ananth will use FHWA letter as basis for FICE. Ds are to provide Ananth with our lump sum candidates including letting dates and one federally funded project.

Jon voiced a concern that staff will stay on the job despite reduction in inspection frequency. Ananth sees that happen now. Jon asked a question regarding whether or not a design-build contract is public record.

Spec coming to make this a requirement - CCEI percentage. Terry has heard 6%. AI had heard low - caveat that the construction contract includes some of these inspection costs.

Discussion of Hathaway bridge.

Ananth - supplemental amendments only for time adjustments due to conditions unforeseeable at negotiations (disaster, etc.) - not built into contract, but kept in the back of our minds. AI suggested that we ask FHWA to assist in defining significant time. Ananth & Terry - contract language already lets us renegotiate if time change is significant - will not have daily rate, but a provision for optional services to fund this.

Terry-groupings with lump sum projects across years will require renegotiation. Ananth-negotiate less than historical pay out - FHWA will want back up. Terry - we should be able to use the CCEI's staffing plan as part of the documentation - if their & our back up are similar there may be no need to negotiate.



Lee-while we may not nickel & dime or micromanage, the auditors want all the backup regardless. Terry - this is a real issue – recommending the elimination of pre-audit has made I G feel threatened & resistant to giving this up. I f we're successful, we will still require the feds to sign off, which will not be easy.

Ananth - assuring QA - staff & quality are related, but not direct indicators. Ron said the Feds seemed disappointed that his lump sum job had no problems. AI - contractor now assuming QA/QC role. No scope change is required.

Lump Sum method of compensation language on web. We will approve personnel, not rates. Ads can include budget targets, but maybe not made mandatory. AI - if we set a target & the firm doesn't achieve it, might the FHWA not ask us to justify why?

Ron questioned Terry re rent a tech - rates might be higher, but no overhead would be paid. Rent a techs would have to have to be overseen by a PE - could we hire a consultant PE to do this? Terry sees no problem with it, but FICE does, big time. AI-there is a rent a tech contract, with an all inclusive hourly rate. Terry & Ananth willing to open rent a tech & agent of state discussion. FICE opposed to QC2000. AI – we will have to differentiate between contractual & professional service contracts. Jon-has big Professional Services rent a tech contract.

Discussion of where we are going re inspectors & what each district is doing re district wides and rent-a-techs. Professional vs. contractual services contract discussion re cost, quality, but may not be worth the effort. I t may be that we differentiate between testing & inspection duties.

6. Next DCCE Meeting – September 18-19, 2002, Marco Island.
7. Ananth will modify the scope by mid-April. Lump sum draft letter before that. Districts to provide various information.